

## MR. SHUSTER QUILTS \* BRITISH NAVAL REFORM \* AR SALE \* CHINA

## MR. SHUSTER TURNS OVER BOOKS; WILL LEAVE THIS WEEK

American Intrusts Records to His Chief Assistant, Mr. Cairns.

BELGIAN APPOINTED TO POST TEMPORARILY

Mons. Mornard Is Made Provisional Treasurer General, with a Persian Committee.

[SPECIAL DESPATCH TO THE HERALD VIA COMMERCIAL CABLE COMPANY'S SYSTEM.]

TEHERAN, via BOMBAY, Sunday.—Mr. W. Morgan Shuster's repeated representations to the Cabinet of his desire to leave Persia at an early date and the consequent necessity of relieving him of his duties after giving him notice having produced no effect, he this morning transferred his books to Mr. Cairns, his chief assistant.

The government to-night nominated Mons. Mornard, the Belgian, as acting provisional Treasurer General with a Persian committee.

Mr. Shuster intends to leave on Thursday next.

## HERR HUMPERDINCK IS SERIOUSLY ILL

Noted Composer Shows Symptoms of Paralysis and Was Unconscious for Two Days.

Berlin, Sunday.—Herr Engelbert Humperdinck, the noted composer, is seriously ill. For two days he was unconscious, but last evening regained consciousness. While the exact nature of the disease from which he is suffering is not known, it is said that symptoms of paralysis have manifested themselves.

Herr Humperdinck recently suffered from an attack of bronchitis in London. He is the composer of the operas "Hänsel und Gretel," "Königskinder" and "The Tales of Hoffman," which have had many presentations at Metropolitan Opera House in New York. He visited New York in 1905 for the first performance of the former opera and again in 1909 to witness the production of "Königskinder."

## CARBONAROS' CHIEF DENOUNCES ATTACK

Head of Secret Portuguese Society Says Republic's Life Depends on His Followers.

Lisbon, Sunday.—The Carbonaros, a secret republican organization, which is the real power behind the republic, has issued a defence to the members of Parliament, who are seeking the dissolution of the society, on the ground that it is illegal and dangerous to the welfare of the nation.

Señor Luz d'Almeida, chief of the Carbonaros, declares that no government is strong enough to cause the death of an organization, whose patriotism and strength are necessary to defend the republic against a monarchy.

## POINTS A SHORTER ROUTE TO AMERICA

Lord Killanin Urges Reopening Port at Galway, Ireland, to Atlantic Trade.

LONDON, Sunday.—The establishment of Galway, Ireland, as a transatlantic port is advocated by Lord Killanin in the forthcoming issue of the Empire Review. He predicts a revival of the trade of the Irish port, which was at one time second only to London as a port of the United Kingdom.

He argues that there are many considerations of a patriotic and sentimental nature—imperial, national and local—favoring the opening of a port there, but he contends that its commercial aspects are of primary importance. By starting from such a terminal port a "through Ireland" route to Newfoundland and Canada from England will greatly shorten present routes, while for travellers and mails to the United States the time will be cut down considerably.

Steamships leaving Galway could get underway at full speed with the minimum loss of time, escaping the delay incident to the fog and traffic in the Irish Sea. Transatlantic ships built for high speed are able to observe the present regulations in the channel with the utmost ease and difficulty, says Lord Killanin. Money would be needed for harbor improvements, but it would not be necessary to saddle the whole cost on commercial enterprise for many parliamentary committees have recommended as necessary the establishment of a great naval and supply base on the west coast of Ireland. No less an authority than Admiral Mahan has borne testimony to the strategic value of such a harbor and this feature alone would justify the necessary cost, he declares.

## TRUCE EXPECTED IN BIG LABOR WAR

MANCHESTER, Sunday.—It is understood that a new arrangement will be made in a day or two between the cotton mill owners and the operatives, who have been locked out.

Mr. George Askwith, who is acting as arbitrator in the controversy, has been in conference with the employers and the men for several days. The compromise provides that the unionists' refusal to work with non-union operatives shall be relinquished for the present, and a truce agreed upon for six months, during which there shall be no strike on the question of non-union labor.

## Navy War Staff Result of Recent British Scare



Mr. W. S. Churchill, First Lord of Admiralty, Makes Sweeping Change in Administration on Account of Charge of Unpreparedness.

[From Yesterday's Evening Telegram.] [SPECIAL DESPATCH TO THE HERALD VIA COMMERCIAL CABLE COMPANY'S SYSTEM.]

HERALD BUREAU, No. 130 FLEET STREET, LONDON, Sunday.

Following Lord Lonsdale's significant interview quoting the German Emperor as saying that he was a loyal friend to England and to all Englishmen, and also as if justifying the recent sensational charges made by Admiral Lord Charles Beresford and Captain Faber, M. P., that when the Anglo-German crisis growing out of the Moroccan dispute was most acute and war talk was on every tongue the navy was unprepared for hostilities, the Admiralty this afternoon announced changes of the most important and far reaching character in the British naval administration organization.

They include the immediate formation of a war staff made up largely of comparatively young officers. Rear Admiral Ernest C. T. Troubridge, ceasing to be private secretary to Mr. Churchill, becomes the chief of this staff. His appointment dates from to-morrow.

Sir Francis J. Hopwood is appointed additional Civil Lord on the Board of Admiralty. Rear Admiral David Beatty, who married the daughter of the late Marshall Field, of Chicago, and is the youngest Rear Admiral in the British navy, replaces Rear Admiral Troubridge as Secretary to the First Lord of the Admiralty, with the title of Naval Secretary.

Captains George A. Ballard and Thomas Jackson are appointed directors of the operations and the intelligence divisions, respectively, of the war staff. These appointments also date from to-morrow.

The appointment is also announced of Rear Admiral Sir Alexander E. Bethell to be commander-in-chief of the East Indies division in place of Rear Admiral Sir Edmond J. W. Slade. In a memorandum explaining the changes involved by the formation of a war staff Mr. Churchill says that practical seamanship must never be displaced from its position as the first qualification of every sailor.

The formation of a war staff, he says, does not mean the setting up of new standards of professional merit or the opening of a road of advancement to a different class of officers. The war staff is to be solely a means of preparing and training those officers who arrive, or are likely to arrive, by the excellence of their sea service at stations of high responsibility, for dealing with the more extended problems which await them there. It is to be a brain far more comprehensive than that of any single man, however gifted, tireless and unceasing in its action, and is to be applied continuously to the

scientific and speculative study of naval strategy and preparation for war. The new staff, Mr. Churchill explains, will be under the general authority of the Board of Admiralty, and will not interfere with any barrier between that Board and the navy. It will be organized from the existing elements into three divisions, of intelligence, operations and mobilization, dealing with war information, war plans and war arrangements, respectively.

The divisions will be equal in status. Each will be under a director, who will be of the rank of captain. The three divisions will be combined together under the chief of staff.

CAPTAIN A. L. DUFF GETS APPOINTMENT

LONDON, Monday.—Captain Alexander L. Duff, Director of Naval Mobilization, has been appointed head of the mobilization division of the new war staff.

The cost of the staff will be provided by abolishing four official admiralty yachts, thus saving about \$175,000 annually.

LONSDALE INTERVIEW DEPLORED IN FRANCE

PARIS, Sunday.—The uneasiness felt by French financiers and diplomats relative to Great Britain and Germany is again voiced in the leading article in the Temps to-day concerning the Lord Lonsdale interview on the Kaiser.

The Temps regrets these repeated attempts "to force the feeling of friendship between the two countries." Lord Lonsdale's efforts in that direction, it says, like others, have failed lamentably and only increase the spirit of bitterness.

Germany no longer believes what Englishmen say, it adds.

On the other hand, the newspaper says, the projected augmentation of the German navy strikes a blow at English national security and the English national purse.

The most glowing words of the Emperor," says the Temps, "will never advance the cause of peace an inch so long as this national menace hangs over the head of Great Britain."

The newspaper also gives prominence to the statement in a German newspaper by Mons. Pichon, at one time Minister of Foreign Affairs, that the new year does not augur well for the disciples of peace, and that the horizon seems obscured by difficulties and complications.

## WAR SHIPS CRASH IN PORTSMOUTH HARBOR

PORTSMOUTH, Sunday.—The battle ship Revenge broke from her moorings here today, and, owing to the exceptionally high tide, drifted and crashed into the bows of the superdreadnought Orion. A hole was stove in the starboard quarter of the Revenge, but the Orion apparently was not damaged. Both vessels will be docked.

## FAVORS HOME RULE IN CAUSE OF PEACE

Mr. Winston Spencer Churchill Believes Ireland Would Be Friend of England.

[From Yesterday's Evening Telegram.] [SPECIAL DESPATCH TO THE HERALD VIA COMMERCIAL CABLE COMPANY'S SYSTEM.]

HERALD BUREAU, No. 130 FLEET STREET, LONDON, Saturday.

Mr. Winston Churchill, First Lord of the Admiralty, today in a statement advocates Irish home rule, saying it will do more than anything else to promote perpetual peace between England and the United States and will lead to a general union of all English speaking peoples.

He cites the forty-six State legislatures of the United States as examples of what home rule would do and advocates extension of the home rule principle to all countries embraced in the British Empire, so that the imperial Parliament meeting in London could give full attention to large imperial measures, which is impossible in a Parliament such as at present, with a calendar clogged by purely parochial questions.

BILLS OF LADING EXPERT ON WAY HERE

LIVERPOOL, Sunday.—Mr. H. Kern, chairman of the Liverpool Cotton Bills of Lading Conference Committee, departed from here today on board the Franconia for the United States. Recently the committee established a central bureau for the registration of cotton bills of lading in New York.

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## FRENCH SENATE LITTLE CHANGED

Elections for About One Hundred Seats in Upper Chamber Show Small Government Gain.

PARIS (La Presse Special), Sunday.—The triennial elections for the French Senate were held today. About one hundred constituencies were concerned, and the results, though showing some government gains, do not materially affect the constitution of the Upper House.

The socialist radicals have lost three seats, the reactionaries two and the progressives four. The progressives gained eight and the socialists one.

Following are the results announced so far:

Ain—Baudin, Bérard.  
Aisne—Touron, Erment, Sébille, Gentil.  
Allier—Villie, Gagnon, Peyronnet.  
Basses Alpes—Péruchot, Michel.  
Alpes Maritimes—Amis, Sauvan.  
Hautes Alpes—Vagnat, Blanc.  
Ardèche—Astier, Marat (Rad-Soc), Vincent (Rad-Soc).  
Ardennes—Hubert, Gérard, Fagot.  
Aube—Castellan, Renard, Rambourg.  
Aude—Gauthier, Mir, Dujardin-Baumetz.  
Aveyron—Vidal de Saint-Aubin, Canac (L.), Monsservin.  
Bouches-du-Rhône—Peytral, Fleissière, Folléau, Puges.  
Calvados—Bouvin-Champeaux, Comte de Saint-Quentin, Tillaye.  
Cantal—Peschaud, Lihulhae.  
Charente—Martel, Mulac, Limouzin-Leprieux.  
Charente-Inférieure—Combes, Genet, Revelland (Dep.), Perreau (Rad-Soc).  
Cher—Martinet, Bouneat, Pauliat.  
Corrèze—Rouby, Bussière, Dellestabelle.  
Corse—Gabrielli, Doumer, Gavini (L.).  
Côte-d'Or—Chauveau, Philpott, Messier.  
Côte-du-Nord—Le Provost de Launay, Comte de Trévenant, Keraudren (Reactionary), Kerouriz (Reactionary), Larbre, Creusé—Mazères, Simonnet, Defumade, Dordogne—Guillier, Denoix, Peyrot, Delahaut.  
Doubs—Butterlin, Borne, Gros-Jean.  
Drôme—Fouret, Chabert, Blanc.  
Eure—Millard, Monnier, Hervey (Progressive).  
Eure-et-Loire—Vinot, l'Hopiteau, Baudet.  
Finistère—Pichon, Fenoux, Delobau, Fortin, Hemon.  
Gironde—Chastenet (Deputy).  
Loire—Morel (Deputy).  
Seine-Inférieure—Brindeau (Deputy), Guérol, Delahaut.  
Algiers—Colin (Deputy).

ROME, Sunday.—All reports presuming that peace between Italy and Turkey is near, are premature. The official attitude at Rome is that in view of the fact that Italy is in the position of victor, she cannot ask for peace or initiate negotiations looking for peace.

But it is pointed out that Italy is ready to look into peace proposals with an open mind, if advanced by Turkey, on the basis that Tripolitana and Cyrenaica shall be definitely annexed to Italy, according to the royal decree of December 13, which will be transformed into a law of the nation at the reopening of Parliament, the end of January.

Therefore any discussion of this point, say officials, would be superfluous and indeed injurious, to any understanding between Italy and Turkey.

The Turkish government has replied to peace suggestions from other Powers that her chief difficulty consists in renouncing her African Arab province without arousing feeling among the Arabs throughout the empire, especially in Asia, where dissatisfaction might lead to the end of Ottoman rule.

Italy desires peace, not so much for the purpose of ending the conflict within Tripolitana, but because she wishes to avoid complications which, if they resulted now in the dismemberment of Turkey, would mean for Italy only the acknowledgment of the possession of Tripolitana, while if the dismemberment came about later Italy might gain a larger portion of the empire.

## SURPLUS OF 12 YEARS TO BE SPENT IN WAR

ROME, Sunday.—The Minister of the Treasury, Signor Francesco Tedesco, has presented the financial statement as a note to the President of the Chamber of Deputies, owing to the fact that the Chamber is not now in session. The surplus from the last budget, says the statement, amounted to more than \$5,000,000 lire (\$7,000,000).

The surplus this year is estimated at \$9,000,000 lire, but owing to extraordinary expenses it will be reduced by more than \$3,000,000 lire.

The extraordinary expenses of the war will be met by the accumulated surpluses of the last twelve years, there being now \$500,000,000 lire from this source at the disposal of the government, which will enable it to carry out the reforms already voted by Parliament, which the Minister enumerates.

PARIS, Sunday.—The French Premier, Mons. Caillaux, speaking at the banquet of the "Blues of Normandy" to-day, indicated that an energetic economic programme would be carried out by the government with a view to the development of industries and commerce to the utmost.

He said that the government had made a special effort to induce French investors to lend golden aid toward the extension of France's ports and the improvement of her systems of transport.

While he recognized that France's huge investments abroad entitled her to be regarded as the financial sponsor of the world's progress, something must be done to prevent too great a disproportion between foreign and home investments of French savings.

The time would come, said Mons. Caillaux, when all the productive forces of the country must collaborate more closely for the development and prosperity of France.

## ASK INJUNCTION IN PARIS TAXICAB STRIKE

PARIS, Sunday.—A curious labor case growing out of the taxicab strike, which has greatly interfered with traffic in Paris for a month past, has been submitted to the French Court of Commerce by several companies, thousands of whose chauffeurs are still out.

The success of the strike is due to the fact that numbers of individual taxicab owners who drive their own machines contribute \$1 a day to the chauffeurs' union, for which they receive a union card authorizing them to work. The companies contend that the scheme constitutes illegal competition and permits of an indefinite continuation of the strike, against the interests of the public. They ask for a restraining injunction. The court has granted the injunction for the month amount to \$100,000.

## FOUR MORE DEAD AFTER COLLISION

PARIS (La Presse Special), Monday.—Four of those who were injured in the railroad collision at Bondy yesterday died today.

The engine driver says the accident was due to the fact that the signals were obscured by fog.

## MOROCCO DEADLOCKS FRANCE AND SPAIN

MADRID, Sunday.—The Franco-Spanish negotiations on the subject of Morocco are temporarily in abeyance, because Spain insists on the establishment of a separate Spanish protectorate over the south and west of Morocco.

Spain is willing to give up the Hinterland, but refuses to abandon the coast zone. Spain also claims a conditional right to the collection of customs in the Spanish zone, which France opposes on the ground that this would destroy the French plan of reimbursing the holders of the Moroccan debt through the collection of the customs by French officials.

## MADRID GOVERNMENT UNWILLING TO YIELD COAST AND RIGHT TO COLLECT CUSTOMS.

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For the final the performers grouped themselves around a figure of the novelist.

## SAY MR. MORGAN DID BUY CURIOS

Reported Sale of Hoentschel Collection Believed in Paris Art Circles.

[SPECIAL DESPATCH TO THE HERALD VIA COMMERCIAL CABLE COMPANY'S SYSTEM.] HERALD BUREAU, No. 49 AVENUE DE L'OPERA, PARIS, Sunday.

Although no official information is available regarding the purchase of the George Hoentschel collection of mediaeval curios by Mr. J. Pierpont Morgan, the news is regarded as true by art collectors here.

It is positively known that negotiations had reached an advanced stage some time ago.

## TURKS MUST YIELD, ITALY'S LAST WORD

ROME, Sunday.—All reports presuming that peace between Italy and Turkey is near, are premature. The official attitude at Rome is that in view of the fact that Italy is in the position of victor, she cannot ask for peace or initiate negotiations looking for peace.

But it is pointed out that Italy is ready to look into peace proposals with an open mind, if advanced by Turkey, on the basis that Tripolitana and Cyrenaica shall be definitely annexed to Italy, according to the royal decree of December 13, which will be transformed into a law of the nation at the reopening of Parliament, the end of January.

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## ARAB FORCE ROUTED IN THREE HOUR FIGHT

ITALIAN TROOPS REPULSE FIERCE ATTACK AT HOMS, TWENTY-ONE MEN BEING WOUNDED.

TRIPOLI, Sunday.—Two battalions, covering a detachment of engineers who were engaged in constructing a redoubt at Homs, were attacked to-day by a large force of Arabs. After three hours of fierce and continuous fighting the Arabs withdrew with heavy losses. Twenty-one Italians were wounded.

## STRIKERS OFFER AID TO COMPANIES

Willing to Operate Supply Trains In and Out of Buenos Ayres, They Tell Managers.

[BY MEXICAN CABLE TO THE HERALD.] BUENOS AYRES, via GALVESTON, TEXAS, Sunday.—The railway strike has begun as announced. The strike committee offered the companies sufficient men to operate trains, carrying provisions to the city. The committee remains in permanent session.

The managers met this afternoon to consider the scheme of settlement proposed by the Department of Labor.

## PAINTER WINS PRIZE, THEN KILLS HIMSELF

Senhor Pugna Garcia, Brazilian Accused of Plagiarism, Ends His Life.

[BY MEXICAN CABLE TO THE HERALD.] RIO JANEIRO, via GALVESTON, TEXAS, Sunday.—Senhor Pugna Garcia, a painter, committed suicide to-day. His painting, "The Shepherd," obtained the Grand Prix, but his enemies put forward a rumor that it was plagiarized. This probably was the cause of the tragedy.

## BRAZILIAN TROOPS FIRE ON POLITICAL CROWD

[BY MEXICAN CABLE TO THE HERALD.] RIO JANEIRO, via GALVESTON, TEXAS, Sunday.—There is great agitation in the State of Espirito Santo. The troops fired on a meeting of the partisans of Senhor Catullo Santos, nominee for Governor, at Victoria to-day and several persons were killed or wounded.

The inhabitants telegraphed to Senhor Moreira, the federal deputy, asking for protection.

## Chinese Rebel Warships Arrive at Northern Port

Inhabitants of Ching-Wang-tao Thrown Into Panic When Transports of the Revolutionists Appear—Surrounding Hills Fortified by the Loyalist Forces.

## NEUTRAL VESSELS CLEAR DECKS FOR ACTION

[From Yesterday's Evening Telegram.] [SPECIAL DESPATCH TO THE HERALD VIA COMMERCIAL CABLE COMPANY'S SYSTEM.]

TUNG-TSIN, Sunday.—There is a panic among the inhabitants of Ching Wang-tao owing to the arrival there of the rebels' transports.

The loyalists have fortified the hills, also Tung-ho.

More British troops are proceeding eastward. To-day the neutral war ships in the offing cleared for action in readiness for any emergency.

Chin Wang-tao is the winter port of Peking, the port of Tien-tsin being now closed by ice. By an international agreement made in 1901, after the Boxer uprising, China conceded to the Powers the right to guard the railroad from Peking through Tien-tsin to Chin Wang-tao, so as to maintain open communication from the capital to the sea, and so insure the of a recurrence of anti-foreign trouble in or around Peking.

In consequence of this agreement the entire line is now being patrolled by British, French, German and Japanese troops, and the State Department at Washington is awaiting word from Mr. W. J. Calhoun, the American Minister at Peking, in order to despatch a force to patrol that portion of the line assigned to the United States for protection under the terms of the protocol of 1901.

Shen-si Refugees Safe at Hankow

European and Japanese Survivors of Massacre Armed and Aided by Republicans.

HANKOW, Sunday.—Forty-eight Europeans and eighteen Japanese arrived here today from Sian-fu, Shen-si province, where about a month ago serious disorders resulted in the death of several foreigners. The republicans gave the refugees rifles and safe conduct to Hanyang. The party included the missionary, Mr. Beckman, of the Scandinavian Alliance, who was wounded by bandits, his wife and the same time being killed and Mr. W. H. Hennes, district Postmaster, who also received serious injuries. Several missionaries still remain at Sian-fu and the outlying stations. They are menaced by anti-foreign societies and robbers.

## SAYS BANKERS COULD END CHINA'S WAR

French Financier Suggests International Combination for Furtherance of Peace.

PARIS, Sunday.—The suggestion that an international combination of bankers might arrange some concrete plan for the settlement of the Chinese difficulty, which has been discussed here for the last day or so, includes the idea of the possible recognition of two Chinas, one in the north—the old monarchy—and the other in the south—the new republic. This idea finds its basis in the supposition that the struggle in the north and south may continue indefinitely, plunging the empire in an interminable war, destructive alike to the welfare of China and the interests of the foreign Powers.

A distinguished French financier said to-day: "Much has been said by the world about the power of capital to do harm or good. It seems as if here is an opportunity for capital to offer itself to the attainment of a great goal—the salvation of a great nation. However be present deadlock in China may develop, China must have capital, but before capital can be offered by the Powers China must accept a stated form of government or government, as a guarantee of peace and security in the future."

The attitude of France toward China is that of absolute co-operation with the other Powers. The French government has no present intention of taking any state action of any kind, but realized that an outbreak of anarchy and an attack upon the foreigners or their property might precipitate immediate concerted intervention.

Among the large number of revolutionaries dead at Han-yang, Japanese were so numerous as to be notable.

This statement is based on the authority of a foreign military expert, who has personal knowledge of the situation he describes. Its truth is vouched for by others, notably Japanese.

From equally well informed sources comes the statement that Japanese had charged the general staff work of the rebel forces, organized at Shanghai and Suchow for the attack upon Nanking. A man who has long been associated with Chinese revolutionists in Japan testified that he found the military branch of the revolutionary organization at Shanghai completely under the direction of Japanese. These had active charge of recruiting and of the details of organization and preparation.

The Chinese government has made formal complaint to Japan against the support given to revolutionists in Manchuria by the Japanese authorities of the leased territory and those responsible for the administration of the South Manchuria railway zone.

This does not mean, however, that the Japanese government has taken sides with the revolutionists, even if certain alleged acts of responsible officials in Manchuria have seemed to warrant Chinese suspicion of an ulterior policy to promote trouble in order to make an excuse for Japanese military control of that coveted territory.

Work of Trained Soldiers.

It is not the activity of a few men, but of a great number. It is not the activity of the untrained, but of men now or formerly connected with the army of Japan.

## CHINESE REBEL WARSHIPS

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